



**FOR DISCUSSION**  
**DRAFT**  
**PURPOSES ONLY**

# MaineCare Non Emergency Medical Transportation System Redesign

## Stakeholder Forum

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**August 1, 2011**

**[http://www.maine.gov/dhhs/oms/nemt/nemt\\_index.html](http://www.maine.gov/dhhs/oms/nemt/nemt_index.html)**

*All documents and materials concerning the NEMT project reflect MaineCare's current thinking and are subject to change. No materials on NEMT web page, distributed and discussed at meetings or sent in emails or mailings are binding in any way concerning the future procurement process.*

# Agenda



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|--|---------------|
| • Welcome & Session Objectives           | 9:00 – 9:10   |
| • Overview of Current System             | 9:10 – 9:20   |
| • Background of NEMT Redesign Initiative | 9:20 – 9:30   |
| • Overview of Risk-Based Brokerage Model | 9:30 – 9:40   |
| • Decision to go with a Regional Model   | 9:40 – 10:00  |
| • Break                                  | 10:00 – 10:10 |
| • Stakeholder Discussion re Model Design | 10:10 – 11:40 |
| • Target Timeline & Next Steps           | 11:40 – 12:00 |

# Session Objectives

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- Provide background and goals of the Non-Emergency Medical (NEMT) Transportation Redesign Initiative.
- Present overview of the current NEMT system and the planned brokerage model.
- Discuss change to regional versus statewide approach.
- Provide a forum for questions, suggestions and feedback to inform key components of model design.
- Outline the initiative's target timeline and next steps.

***The presentation from today's discussion will be posted to the NEMT Redesign website:***

**[http://www.maine.gov/dhhs/oms/nemt/nemt\\_index.html](http://www.maine.gov/dhhs/oms/nemt/nemt_index.html)**

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# Current NEMT System

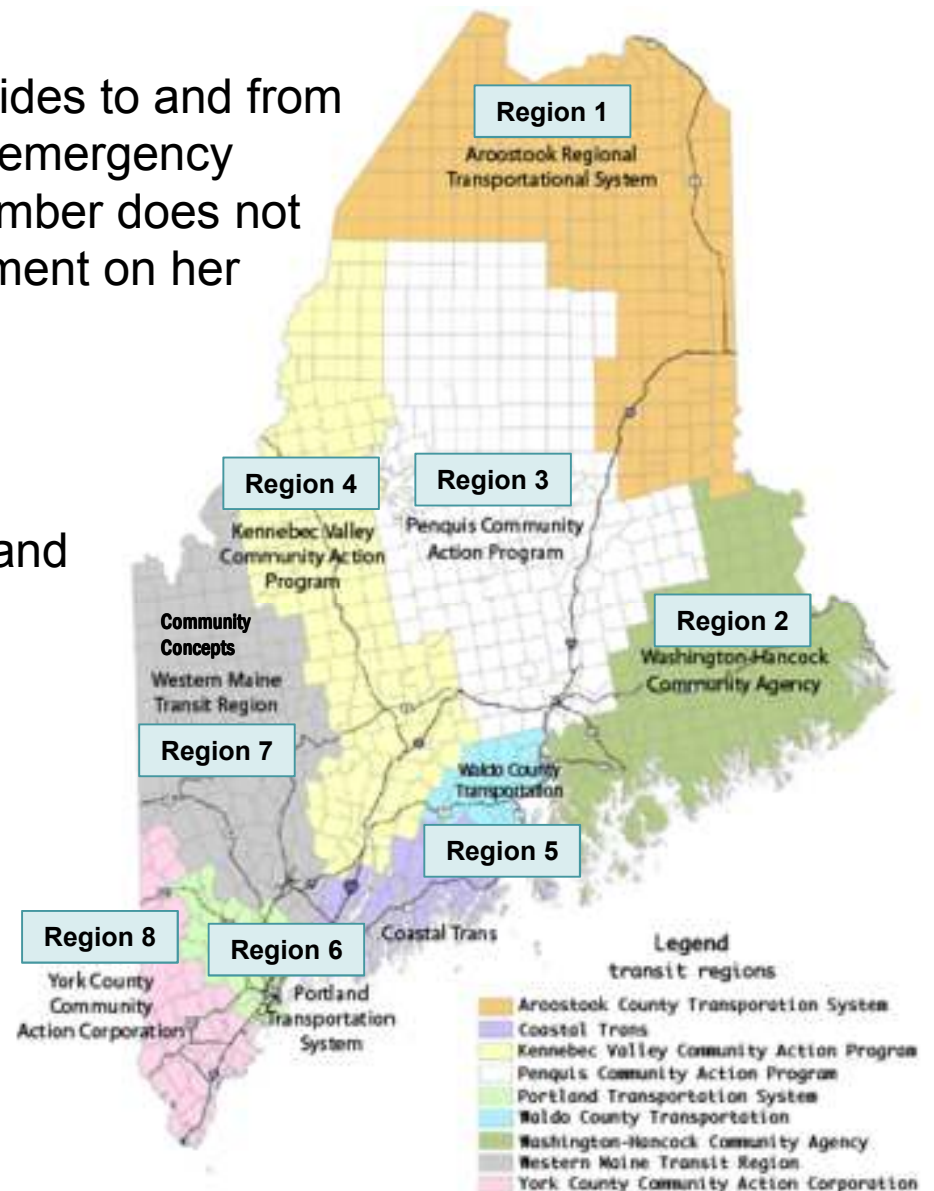
## What are NEMT Services?

NEMT services are used to give members rides to and from doctor appointments or other covered, non-emergency Medicaid services when the MaineCare member does not have an alternate way to get to the appointment on her own.

## How does NEMT function in Maine?

Currently, 10 Full Service Regional Transportation Providers (FSRTPs) broker and provide transportation in Maine's 8 transit regions. MaineCare currently covers the following transportation modes:

- Agency vehicles
- Volunteer reimbursement
- Family, friends & member reimbursement
- Fixed Route Transit (two regions)
- Wheelchair van
- Taxi



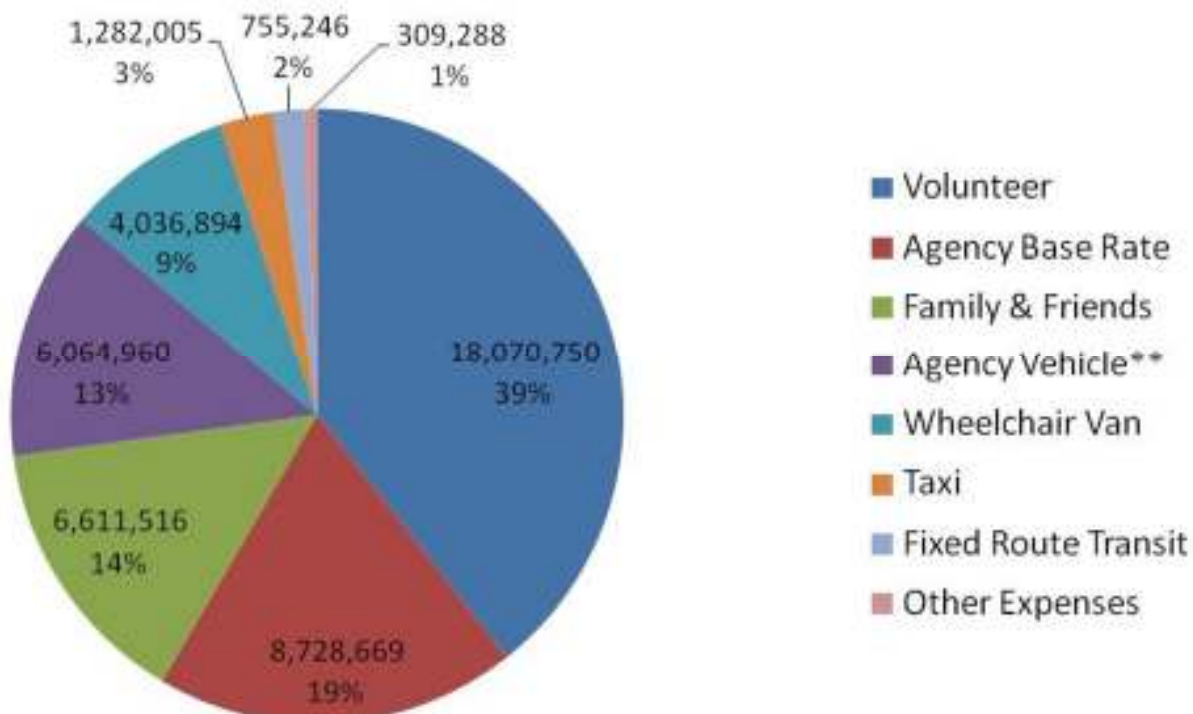
## Maine relies heavily on volunteer, family & friend reimbursement, totaling almost 60% of NEMT spending.



	SFY 09	SFY 10	SFY11 Estimate
Total MaineCare transportation spending (NEMT & waiver)	\$44.7M	\$45.9M	\$40.1M
Total distinct members receiving transportation	42,449	44,296	42,690
% of total MaineCare members receiving transportation	14%	14%	14%

- ~\$40M spending in SFY11
- ~14% of MaineCare Members

SFY10 Expenditures by Transportation Type\*

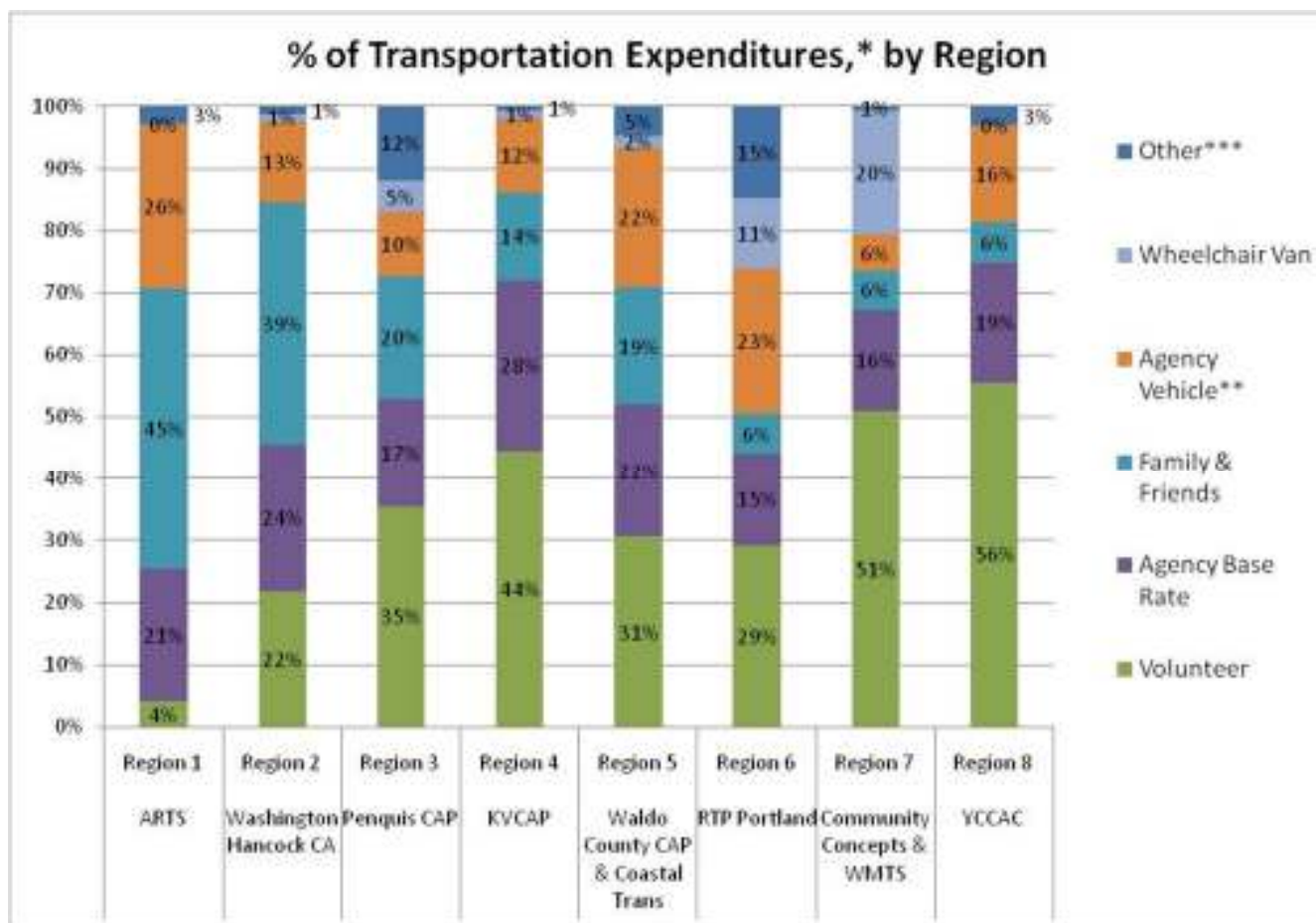


- Volunteer reimbursement accounts for the largest share of spending.
- Base rates paid to current FSRTs represent 19% of total spending.

\*Includes Day Habilitation Transportation; Day Hab rates were standardized in SFY11.

\*\*Includes pass through payments to other providers.

## SFY10 expenditures by transportation type vary widely by transit region.



- Percent of volunteer reimbursement varies from 4 - 56%.
- Percent of base rates varies from 15 - 28%.
- Percent of Family & Friends Reimbursement varies from 6 - 45%.
- This variation is likely related at least in part to geographical differences between the regions.

\* Includes Day Habilitation Transportation; Day Hab rates were standardized in SFY11.

\*\*Includes pass-through payments to other providers.

\*\*\*Includes taxi, fixed route transit, parking, lodging, meals, attendant and state worker mileage expenditures.

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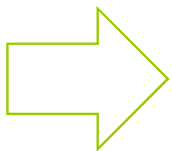
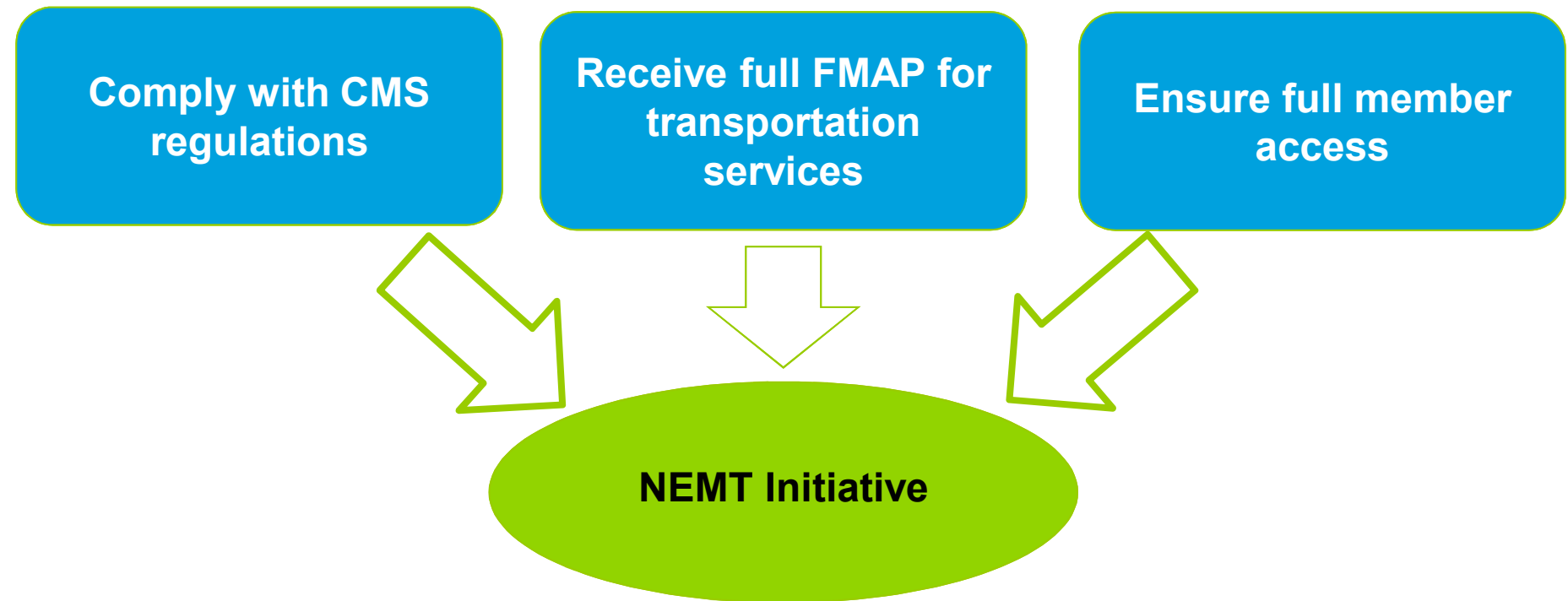


# Initiative Background

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- **2009:** Maine's *current system authority and structure* under the State Plan is out of compliance with federal regulations. CMS began working with the Office of MaineCare Services to identify the aspects of the NEMT system that are out of compliance.
- These are the aspects CMS has identified as not in compliance:
  - MaineCare has been improperly claiming the Full Medical Assistance Percentage (FMAP) for NEMT services that should have been claimed at the administrative rate.
  - The current Full Service Regional Transportation Providers (FSRTPs) cannot continue to play a dual role of broker and provider under the current system.
  - As the system is currently structured, FSRTPs cannot continue to pass-through reimbursement to volunteers, family and friends.
- **November 2010:** CMS notified MaineCare that a redesign of the NEMT system is necessary to achieve compliance and maintain the current federal match. CMS presented the state with options for system redesign.

# Goals of Initiative



**A risk-based Prepaid Ambulatory Health Plan (PAHP) brokerage system is the only option that meets all 3 goals.**

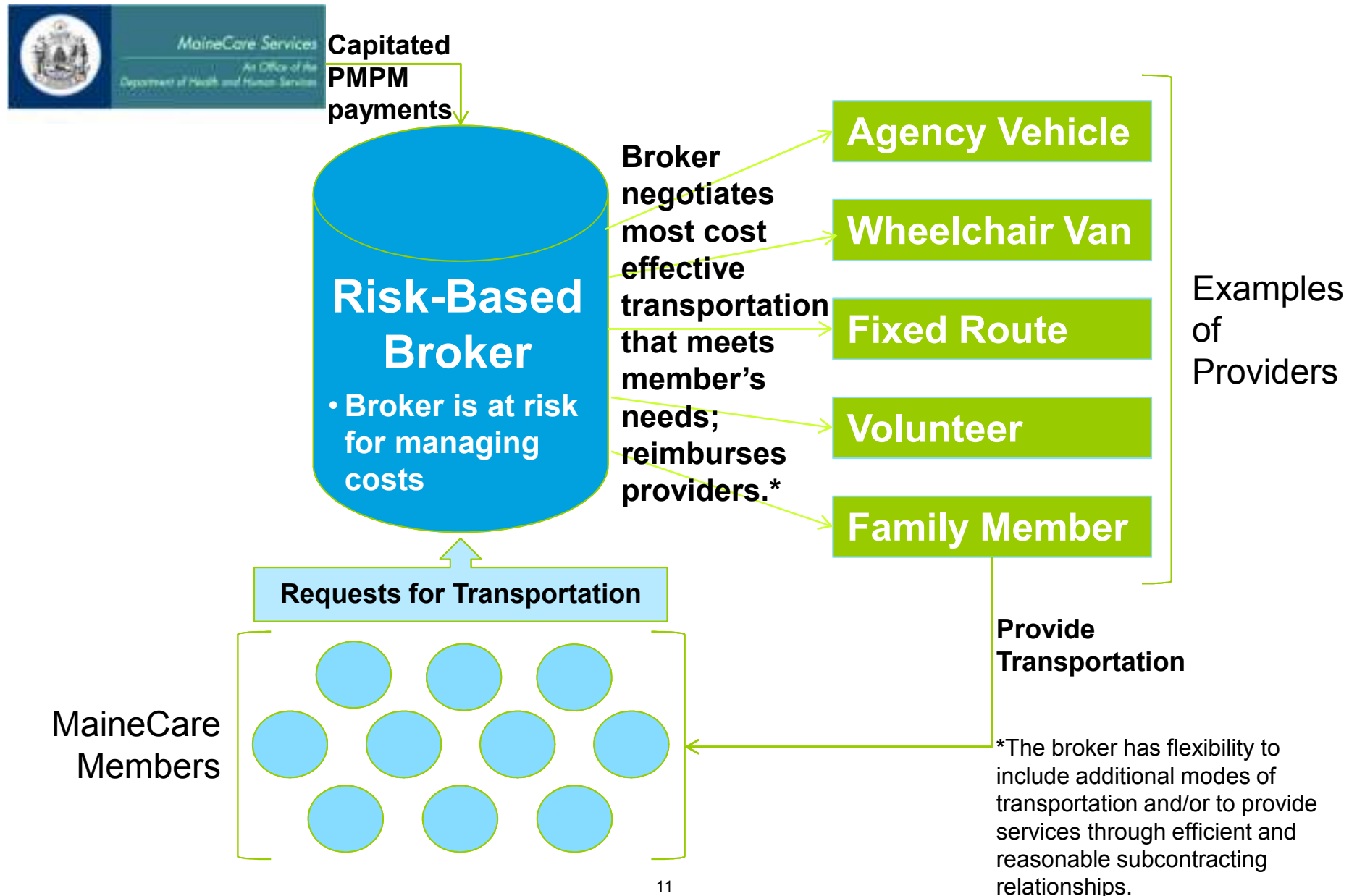
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# How does a risk-based brokerage system function?



# Brokerages around the country have resulted in many improvements

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OMS has documented that at least:

- 28 states currently use or are in the process of procuring a brokerage system.
- 14 states utilize a regional brokerage system.
- 13 states currently use or are planning to use capitated rates.
- 5 states utilize regional brokerages paid for with capitated rates: Arkansas, Georgia, Florida, Kentucky and Texas.

Overall, brokerages have been demonstrated to:

- Decrease costs per trip.
- Increase ridership and improve access to non-emergency transportation services.
- Improve member satisfaction.



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# A New Direction

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- **March 2011:** The Department communicated to CMS in early March about our intention to restructure NEMT under a single, statewide risk-based PAHP.
- **July 2011:** In collaboration with the Governor's Office and MaineDOT, we decided to restructure NEMT as a regional system of risk-based PAHP brokerages that align with the current eight Maine transit districts.

As with the original statewide recommendation, this approach will:

- Achieve compliance with CMS
- Maintain federal match levels
- Ensure improved access to eligible MaineCare members

In addition, a regional brokerage system will better ensure continuation of a *coordinated, community-based* approach to transportation. Brokers will be at risk for managing a fixed per member per month rate to meet eligible members' transportation needs and to meet prescribed quality benchmarks.

# How will the new system differ from the current system?



	Current System	Planned
<b>Brokers</b>	<ul style="list-style-type: none"> <li>• 10 FSRTPs across 8 transit districts</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 8 brokers aligned with transit districts</li> <li>• Open to for-profit, non-profit or governmental entities</li> </ul>
<b>Competition</b>	<ul style="list-style-type: none"> <li>• OMS designates the FSRTPs, which hold standard, non-competitive provider agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Bidder must compete for the brokerage</li> </ul>
<b>Risk</b>	<ul style="list-style-type: none"> <li>• Brokers paid fee for service. State at risk</li> </ul>	<ul style="list-style-type: none"> <li>• Brokers must manage within a per member per month capitated rate</li> </ul>
<b>Federal Match</b>	<ul style="list-style-type: none"> <li>• Cannot continue to receive FMAP for many services</li> </ul>	<ul style="list-style-type: none"> <li>• May receive full FMAP</li> </ul>
<b>Member Access</b>	<ul style="list-style-type: none"> <li>• Problems with consistent member access to after-hours and weekend appointments and urgent care</li> </ul>	<ul style="list-style-type: none"> <li>• Bidders must demonstrate the ability to provide 24/7 access in order to qualify as a PAHP</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>• The State has no authority to restrict payment or terminate the relationship if an FSRTP fails to meet quality standards</li> </ul>	<ul style="list-style-type: none"> <li>• The State will tie payment to specified quality benchmarks and may terminate the contract with a broker for non-compliance</li> </ul>
<b>Transportation Options</b>	<ul style="list-style-type: none"> <li>• The State may only reimburse bus passes in Portland and Bangor</li> </ul>	<ul style="list-style-type: none"> <li>• Brokers will be encouraged to utilize all fixed route transit options statewide, such as ZOOM, the Kennebec Explorer, City Link, and the Bath Shuttle Bus</li> </ul>
<b>Reimbursement</b>	<ul style="list-style-type: none"> <li>• Providers, volunteers, family, friends and members all receive fixed reimbursement rates for providing transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Rates will be negotiable with the Broker</li> </ul>



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# Model Design Discussion

## Discussion Areas

• Populations & Service Coordination	10 min
• Broker Requirements	15 min
• Rate Analysis	10 min
• Draft Performance Standards	30 min
• Member Service Denials, Grievance & Appeals Process	15 min
• Other Feedback & Questions	10 min

## Ground Rules

- Please use the microphone.
- Limit comments and questions to the discussion area on hand; other topics will wait until the end of the meeting.
- Limit comments or questions to 2 minutes each to allow others time to talk.
- Read testimony will not be accepted; please submit any written documents to Shannon Martin at [shannon.martin@maine.gov](mailto:shannon.martin@maine.gov) and we will review and post to our website.



# Populations & Service Coordination



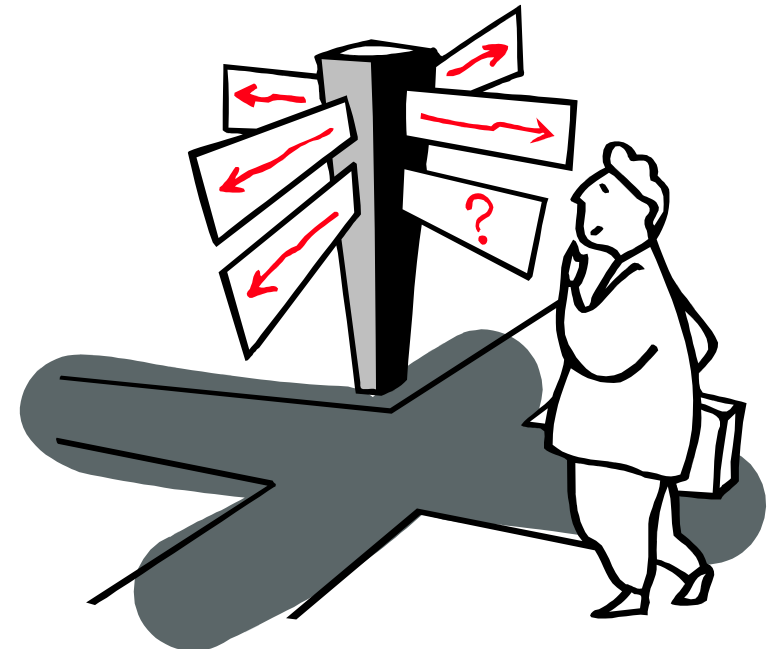
Access to MaineCare-reimbursed services represents only a portion of members' transportation needs.

To facilitate a coordinated approach and maximize access, OMS is working with:

- CMS
- Other Offices within DHHS
- The Department of Transportation
- The Department of Labor

DHHS is committed to maintaining access to federally-funded vehicles by ensuring that rides remain open to the general public.

Brokers will be encouraged to utilize existing providers.



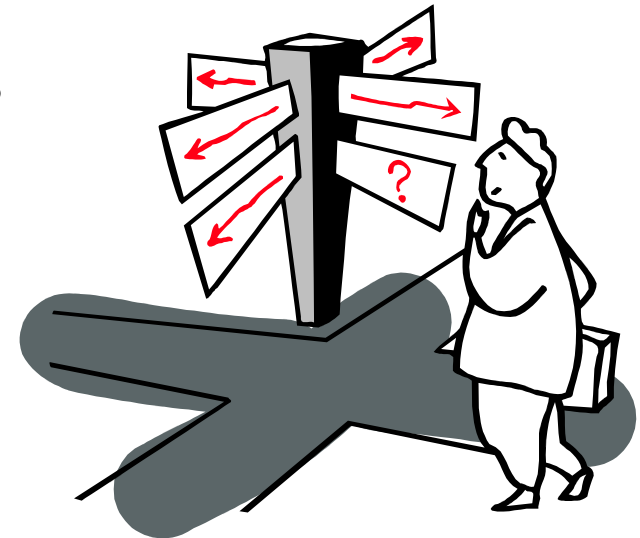
# Populations & Service Coordination, continued



OMS is working with CMS and other Offices within DHHS to incorporate transportation to all MaineCare-covered services – that is not already covered as part of the rates paid for services– in the new system wherever feasible and appropriate.

The current plan includes transportation services for:

- Home & Community Based Services (HCBS) 1915(c) waiver populations
  - Individuals with intellectual disabilities
  - Individuals with Autism Spectrum Disorders
  - The elderly and individuals with physical disabilities
- Childless Adults & HIV/AIDS 1115 waiver populations
- Children's Health Insurance Program (CHIP)



# Broker Requirements

## Self-Referral

- Under a risk-based PAHP, CMS allows the broker to act as a provider and self-refer trips. Since the broker is at risk for managing capitated rates, they have an automatic incentive to select the most cost-effective means of transportation for each trip.
- The Department is discussing whether or not to cap self-referrals in order to promote competition between multiple providers in each region. If the Department does cap self-referrals, it would likely select a cap that represents the current high-end percentage of self-referred trips in the different regions (~25%).

## Number of Regions

- Interested bidders may bid on and win more than one region. Bidders must present a separate proposal for each region.

## Location of Broker

- Each broker must have a Call Center and center of business operations in the region it is awarded. A broker awarded multiple regions must have a call center and center of operations in one of its regions.



# Broker Requirements, continued

## Access Requirements

- 24/7 access to services
  - Call Center hours of operation 8-5, M-F
  - Must ensure access to a live voice through an answering service or other means after hours and on weekends to respond to urgent requests and problems
- Same-day requests for urgent care
- Demonstrate adequacy of proposed provider network
- The bidder may be asked to provide:
  - Letters of intent from current providers
  - Documentation of number and location of vehicles

## Software Capability

- DHHS may require brokers to have a software application that can:
  - Accurately and efficiently track and route trips
  - Calculate mileage

## Call Center Technology

- DHHS may require brokers to have an Automated Call Distribution (ACD) system to ensure tracking and monitoring of quality metrics, such as call abandonment rate and wait time

## Reporting Requirements

- Member information
- Trip logs
- Denials and authorizations by type of transportation
- Encounter data
- Transportation Summary Reports
- Call Center Reports
- Complaint Reports
- Ad Hoc Reports

## Performance Bond

- DHHS may require brokers to obtain a performance bond

# Rate Analysis

- The RFP will include a “data book” with information on trips and utilization by region and by waiver population to enable bidders to propose a per member per month (PMPM) capitated rate by population for the region(s) on which they are bidding.
- The RFP review team will analyze the bids in comparison to actuarially sound rate ranges developed for each population and region.
- The actuarial analysis will use FY09 and FY10 data for the base year, since FY11 is not yet complete.
- The analysis will adjust for “credibility” of the sample sizes as necessary.
- Data from FY07 through FY10 will inform adjustments for:
  - Trend in costs
  - Trend in utilization
- Rates will also be adjusted to account for policy changes made in FY11.





# Draft Performance Standards



	Performance Area	Percent	Amount of time	Tied to Payment
TRANSPORTATION MEASURES	Arrival at member's residence	Up to 5% trips late	On time means 15 minutes before to 15 minutes after the scheduled time	
	Arrival at appointment	Up to 5% trips late	On time means 15 minutes before to 5 minutes after the scheduled time	X
	Will-Call pick up after appointment/hospital discharge	Up to 5% trips late	<b>Urban:</b> Within 1.5 hr of notification appointment is over <b>Rural:</b> within 3 hr of notification	
	Scheduled pick up after appointment	Up to 5% trips late	On time means 15 minutes after the scheduled time	
	Trips cancelled from point of origin	0 unless cancelled due to very bad weather		
	Members left without return trip	0		X
	How long the driver waits if the member is not there for pick up at residence		At least 10 minutes past scheduled pick-up time	
	Trip length: for trips with multiple members picked up		<b>Urban:</b> Up to 30 minutes longer than if the member went straight to her appt. <b>Rural:</b> Up to 1 hr longer	
	Member satisfaction with transportation	Agree on goal with broker once current satisfaction is measured		

# Draft Performance Standards, continued



	Performance Area	Percent	Amount of time	Tied to Payment
<b>CUSTOMER SERVICE</b>	Responding to complaints	Monthly member complaint rate of up to 1%	Respond within 5 business days with solution to problem	X
<b>CALL CENTER MEASURES</b>	Percent of calls where the caller hangs up because no one is answering	Up to 5%		X
	How long it takes for the Call Center to answer the phone	95% of calls answered on time	After three rings.	
	Amount of time the caller waits to talk to a real person	90% of calls will not exceed	60 second wait	
<b>PROVIDER PAYMENT</b>	When full payment is due after receiving accurate invoice from provider	No less than 100%	30 days	X
<b>VEHICLE INSPECTION</b>		No less than 100%	All vehicles due for inspection must be inspected the month they are due	X



# Member Service Denial, Complaints, Grievances & Appeals

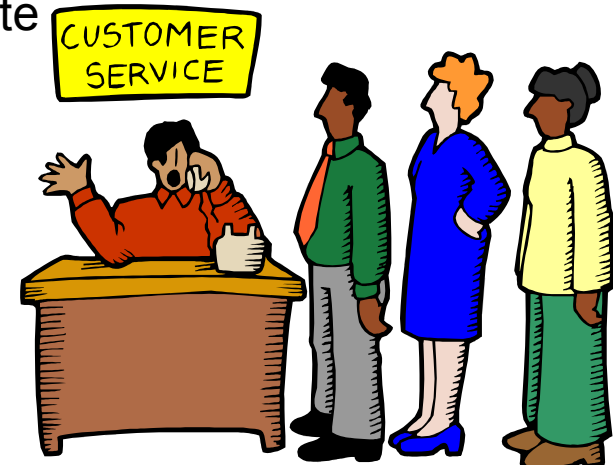


## Denial of Service:

- Brokers must notify members in writing of a denial of service, their right to appeal the broker's decision, and their right to a fair hearing by the DHHS.

## Grievance & Appeals:

- The broker will be responsible for having a grievance and appeals process:
  - Submitted for State review and approval
  - Includes provisions for expediting decisions
  - Responds to all complaints in writing within 5 business days with a solution to the problem
  - Brokers must track and report complaints to the State



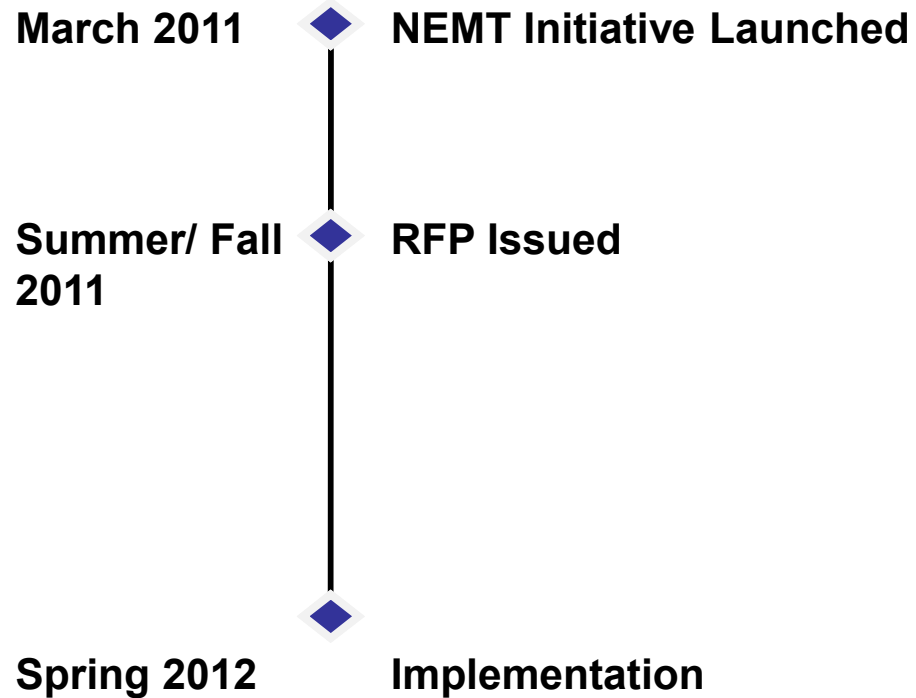
**Other Feedback & Questions?**

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# High-Level Target Timeline



# Next Steps

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- **Summer/Fall 2011: RFP**
  - RFP will be open for 2.5 months
  - Bidders' Conference will be 2 weeks after RFP is posted
  - Mandatory Letters of Intent are due 30 days after Bidders' Conference
- **Winter 2011: Award & Decision Letters**

# Thank you!

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***Please visit our NEMT Redesign website for materials from today and to keep up to date:***

**[http://www.maine.gov/dhhs/oms/nemt/nemt\\_index.html](http://www.maine.gov/dhhs/oms/nemt/nemt_index.html)**

**Additional questions or comments?**

**Contact Michelle Probert at [michelle.probert@maine.gov](mailto:michelle.probert@maine.gov)**